

placing sanctions on 7 Russian entities. We must keep a close watch on this and remain vigilant on the issue of Iran's acquisition of weapons of mass destruction and the weapons to deliver them. President Clinton will be traveling to Russia in September, and if the legislation is still needed, we should bring up IMPSA for veto override.

Another way to counter the Iranian threat is by strengthening our closest ally and outpost in the region. In September, when we return to Washington, we will vote on the Foreign Operations Appropriations bill which contain Israel's annual aid package. I have voted for this bill in the past because I believe that foreign aid, when used wisely, is an important instrument in American foreign policy.

This year, I again intend to vote for aid for Israel, and I want to draw special attention to what makes this bill so special and historic. Based upon Prime Minister Netanyahu's pledge to a joint meeting of Congress two years ago, Israel has started to reduce its request for aid. Imagine an aid-receiving nation saying it does not need as much money—well it's happening this year.

Israel has made dramatic economic strides over the past two decades including the privatization of most of its industries. As a friend and supporter, the United States helped in Israel's economic gains. Now Israel is telling us that they feel comfortable phasing out all of their economic aid over a ten year period. However, based upon the continued threats in the region like Iran, Israel does need continuing military assistance which I will continue to support. I am also pleased a note that it looks as though this year's Foreign Operations Appropriations bill will hold spending level to that of Fiscal 1998.

#### IN TRIBUTE

SPEECH OF

#### HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 28, 1998*

Mr. WATKINS. Mr. Speaker, I would like to have printed in the CONGRESSIONAL RECORD a prayer I received from Chaplain James Paul Maxwell from Shawnee, Oklahoma. When Reverend Maxwell learned of the tragic deaths of Officer Chestnut and Detective Gibson he composed a beautiful prayer and asked that I share it with Congressman DELAY. After reading the prayer myself, I was so moved that I felt it would be a shame not to share this with the entire Congress so I therefore ask that it be made a part of the formal CONGRESSIONAL RECORD.

Dear Heavenly Father, Our Lord

We come to rejoice in Your gracious mercy and forgiveness of sins. Today we praise Your name for taking bad things and working them together for good.

Lord, we are grieved at the unnecessary death of two Washington, D.C. police officers. We come to You, leaning on Your love and Holy Spirit for patience, for strength, and for courage in the midst of great sorrow.

Dear Lord, we pray for the wives and children of Officer Jacob J. Chestnut and Officer John Gibson. And we pray for the family, friends, and colleagues of these men. We know their hurt and sorrow is almost unbearable. Lift these up with Your love and

healing and fill their loneliness magnified with grief with the presence of Your Spirit, and the Hope of Your gift of eternal life.

Heavenly Father, we pray for our Nation's congressional leaders and for our President. Give our nation's leaders Your wisdom that they will lean upon You for understanding and direction.

Lord we pray for all law-enforcement officers. Give them Your protective care and wisdom to respond in courage to perform their duties with firmness and with love. We long for the final victory over sin and evil and sorrow in this world and pray that You will give us determination and faith to take our stand for righteousness in our land. Thank You Lord Jesus for laying down Your life for us that we might have life and have it more abundantly. Lift us up through this darkness of evil that we might praise You in Jesus Name. Amen. Chaplain James Paul Maxwell, Shawnee Police Department, Shawnee, Oklahoma.

#### HONORING FRIENDS OF DIALYSIS DAY

#### HON. ADAM SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. ADAM SMITH of Washington. Mr. Speaker, I rise today to declare a day of recognition on August 16, 1998, for the Friends of Dialysis Day. Everyone who participates in this important day is taking an essential step in helping to increase awareness of kidney disease and the need for organ donation. We all know that organ donations save lives, and increasing the number of donors throughout the country could potentially save the life a loved one for many families in our community and throughout the nation. I hope by declaring this Friends of Dialysis Day we can increase the willingness to donate organs by friends and members of our community.

The citizens of my district have participated in the Friends of Dialysis Day through an annual golf tournament. Participants, including patients, transplant recipients, medical staff, and family members, come together to raise money for this important cause. I urge other communities around the country to follow their example and help promote organ donation.

I commend all who have taken up this important fight and I hope we can all work together to continue to increase the awareness of kidney disease and the need for organ donations in our communities.

#### SOCIAL SECURITY

#### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. CRANE. Mr. Speaker, as we move into the 21st century, we must address the issue of Social Security. When I support privatizing the system which would allow Americans to more fully control the financial aspects of their retirement years, I realize we must have a national debate on the issue. In an effort to contribute to the discussion, I would recommend that my colleagues read this following column written by Jose Pinera as it appeared in the

European edition of the Wall Street Journal on June 25, 1998.

[From the Wall Street Journal Europe, June 25, 1998]

#### A WAY OUT OF EUROPE'S PENSION CRISIS

(By Jose Pinera)

On the wall of my office in Santiago, Chile, I have a map of the Americas with South America's sharp southern tip pointing toward the top and the United States and Canada at the bottom. Visitors often look puzzled, then exclaim, "Oh, they've hung your map upside down."

"No," I say, "It's just a different way of looking at the world." I often think of that map when I'm asked how Europe's crisis-riddled pension systems can be fixed.

Reform is possible, I reply, if people are willing to look at the world in a different way. Most importantly individuals will need more power to provide for their own retirement—and the government's role must be scaled back. We've accomplished this in Chile, and reform on the Chilean model is being seriously considered in the United States. In the meantime, the system has already spread to several other nations around the globe.

Beneath its veneer of egalitarianism, Europe's present pension systems are hideously unfair to tens of millions. Most young workers can look only to paying more and more to support those on retirement today—and then to receiving less and less when they themselves retire. Many under-40 members of today's working population may end up on income support to make ends meet in the next few decades, even though they pay up to 20% or more of their income in social security taxes.

#### SIMPLE YET RADICAL

Part of the problem is demographics. Europe's state pension systems are based on the so-called pay-as-you-go (Paygo) principle, meaning that the pension payroll taxes of today's working populations are passed through immediately to today's retirees. This system worked half-a-century ago in a world where there were seven or more workers for each retiree, who typically lived only a few years after he left the work force.

That world is gone. Thanks to a sharply declining birth rate and longer life expectancy, there is now an average of only four people of working age to support each pensioner in the 15 member states of the European Union. By 2040 there will be only two, and in some countries like Germany the ratio of workers to pensioners will be closer to one to one.

As a result, the financial burdens will become enormous. Pension contributions in Germany, for example, are now 20.3% of earnings, and the government has just increased VAT to finance the cost of pensions. And that is just the beginning. In France, pension contributions may have to double to 40% of earnings. But higher payroll taxes lead to even high unemployment and thus fewer contributions to the pension system.

At the same time, the payouts will be rimmed. European governments have already begun doing so, for example, by increasing the retirement age.

Meanwhile, every pressure group grants to cut the best deal for its members. Thus we see that Italian civil servants retire in their early 50s and that French truck drivers can end their working lives at 55. Does anyone seriously believe that such a system can survive in the 21st century?

Twenty years ago my country faced a similar crisis. Chile had created a state pension system in 1925 and by the 1970s it was on the brink of bankruptcy, life with special privileges and burdened by high payroll taxes.